

1-1 By: Frank (Senate Sponsor - Kolthorst, et al.) H.B. No. 1612
 1-2 (In the Senate - Received from the House May 5, 2025;
 1-3 May 5, 2025, read first time and referred to Committee on Health &
 1-4 Human Services; May 15, 2025, reported favorably by the following
 1-5 vote: Yeas 8, Nays 0; May 15, 2025, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14			X	
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to direct payment for certain health care provided by a
 1-20 hospital.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-22 SECTION 1. Subchapter A, Chapter 311, Health and Safety
 1-23 Code, is amended by adding Section 311.006 to read as follows:
 1-24 Sec. 311.006. DIRECT PAYMENT TO HOSPITAL. (a) In this
 1-25 section:

1-26 (1) "Enrollee" means an individual who is enrolled in
 1-27 a health benefit plan or otherwise entitled to coverage under a
 1-28 health benefit plan.

1-29 (2) "Health benefit plan" means any individual or
 1-30 group arrangement with a public or private entity under which the
 1-31 entity will pay for, reimburse expenses for, or otherwise contract
 1-32 with a health care provider for the provision of health care
 1-33 services, supplies, or devices to a patient. The term includes an
 1-34 arrangement with:

1-35 (A) an insurance company;

1-36 (B) the sponsor or administrator of a
 1-37 self-insured health benefit plan;

1-38 (C) a group hospital service corporation
 1-39 operating under Chapter 842, Insurance Code;

1-40 (D) a health maintenance organization operating
 1-41 under Chapter 843, Insurance Code;

1-42 (E) the state Medicaid program, including the
 1-43 Medicaid managed care program operating under Chapter 540,
 1-44 Government Code;

1-45 (F) a health benefit plan offered or administered
 1-46 by or on behalf of this state or a political subdivision of this
 1-47 state or an agency or instrumentality of the state or a political
 1-48 subdivision of this state, including:

1-49 (i) a basic coverage plan under Chapter
 1-50 1551, Insurance Code;

1-51 (ii) a basic plan under Chapter 1575,
 1-52 Insurance Code;

1-53 (iii) a primary care coverage plan under
 1-54 Chapter 1579, Insurance Code; and

1-55 (iv) a plan providing basic coverage under
 1-56 Chapter 1601, Insurance Code; or

1-57 (G) any other entity providing a health insurance
 1-58 or health benefit plan subject to regulation by the Texas
 1-59 Department of Insurance.

1-60 (3) "Health care service" means a service to diagnose,
 1-61 prevent, alleviate, cure, or heal a human illness or injury that is

2-1 provided to an individual by a physician or other health care
2-2 provider.

2-3 (4) "Hospital" means a public or private institution
2-4 licensed under Chapter 241. The term does not include an ambulatory
2-5 surgical center licensed under Chapter 243.

2-6 (b) At the request of a patient who is not an enrollee, and
2-7 subject to Subsection (c), a hospital must accept directly from the
2-8 patient full payment for a health care service provided by the
2-9 hospital.

2-10 (c) A request under Subsection (b) must be made not later
2-11 than the 60th day after the date on which the patient receives a
2-12 bill for or other final accounting of the health care service
2-13 provided. The bill or other final accounting must notify the
2-14 patient of the ability to make a request under Subsection (b).

2-15 (d) Notwithstanding Section 552.003, Insurance Code, or any
2-16 other law, in accepting payments as described by Subsection (b) for
2-17 health care services provided by the hospital, a hospital may
2-18 charge patients amounts that are either:

2-19 (1) not more than 25 percent greater than the amounts
2-20 generally billed, as defined by 26 C.F.R. Section 1.501(r)-1, for a
2-21 health care service; or

2-22 (2) not more than 50 percent greater than the lowest
2-23 contracted rate for a health care service that the hospital has
2-24 agreed to accept as payment in full as a contracted, preferred, or
2-25 participating provider of a health benefit plan other than:

2-26 (A) the state Medicaid program, including the
2-27 Medicaid managed care program operated under Chapter 540,
2-28 Government Code;

2-29 (B) the child health plan program operated under
2-30 Chapter 62; or

2-31 (C) Medicare benefits.

2-32 (e) Nothing in this section precludes a patient from
2-33 receiving from a hospital charity care that the patient would
2-34 otherwise qualify for or be entitled to.

2-35 SECTION 2. This Act takes effect September 1, 2025.

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